



## SUPPLEMENTAL

COUNCIL AGENDA: 09-26-06

ITEM: 5.7

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen  
Jane Light

**SUBJECT:** PEARL AVENUE BRANCH  
LIBRARY PROJECT

**DATE:** 09-21-06

Approved

*Kay Winer*

Date

*9/22/06*

COUNCIL DISTRICT: 2

### REASON FOR SUPPLEMENTAL MEMORANDUM

To provide additional information after bids were opened.

### RECOMMENDATION

Report on bids and award of contract for the Pearl Avenue Branch Library Project to the low bidder, Bogard Construction, Inc., in the amount of \$6,099,900, and approval of a contingency in the amount of \$610,000.

### OUTCOME

Approval of this construction contract to Bogard Construction, Inc., will allow the Pearl Avenue Branch Library Project to proceed as scheduled. Approval of the 10 percent contingency will provide funding for any unanticipated work necessary for the completion of the project.

### BACKGROUND

A memorandum dated September 6, 2006 was forwarded to Council for the September 26, 2006 Council meeting.

### ANALYSIS

Bids were opened on September 14, 2006 with the following results:

<u>Contractor</u>	<u>Base Bid</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Hagensen Pacific Construction (San José, CA)	\$7,290,000	\$697,000	11
Ralph Larsen & Sons (San Mateo, CA)	6,969,000	376,000	6

BRCO Constructors (Loomis, CA)	6,639,000	46,000	1
<b>Engineer's Estimate</b>	<b>6,593,000</b>	-	-
John Plane Construction (Brisbane, CA)	6,540,000	(53,000)	(1)
NBC General Contractor (Oakland, CA)	6,490,000	(103,000)	(2)
Bogard Construction (Santa Cruz, CA)	6,099,900	(493,100)	(8)

<u>Contractor</u>	<u>Deductive Alt. No.1</u>	<u>Deductive Alt. No.2</u>	<u>Deductive Alt. No.3</u>	<u>Deductive Alt. No.4</u>
Hagensen Pacific Construction	(\$17,500)	(\$1,700)	(\$19,500)	(\$24,000)
Ralph Larsen & Sons	(7,000)	(4,000)	(160,000)	(160,000)
BRCO Constructors	(3,000)	(7,000)	(100,000)	(250,000)
<b>Engineer's Estimate</b>	<b>(11,000)</b>	<b>(50,000)</b>	<b>(60,000)</b>	<b>(100,000)</b>
John Plane Construction	(1,600)	(6,500)	(105,000)	(100,000)
NBC General Contractor	(20,000)	(5,000)	(1,000)	(30,000)
Bogard Construction	(4,581)	(0)	(197,885)	(154,989)

The low bid submitted by Bogard Construction, Inc., is eight percent below the Engineer's Estimate. The bid is considered acceptable for the work involved in the project. Due to the low bid results, City will not award the deductive alternates.

Council Policy provides for a standard contingency of ten percent on public works projects involving the construction of a building. Staff considers the standard contingency appropriate for this project.

**COST SUMMARY/IMPLICATIONS**

1. **COST OF PROJECT:**

Project Delivery	\$1,534,000
Construction	6,099,900
Contingency	610,000
Public Art	144,000
<b>TOTAL PROJECT COSTS</b>	<b>\$8,387,900</b>
Prior Year Expenditures	(\$953,655)
<b>REMAINING PROJECT COSTS</b>	<b>\$7,434,245</b>

2. **COST ELEMENTS OF CONSTRUCTION CONTRACT:**

This is a Lump Sum Contract.

3. **SOURCE OF FUNDING:** 472 - Branch Libraries Bond Projects Fund

4. **FISCAL IMPACT:** The renovated Pearl Avenue Branch will have an annual operating and maintenance impact of \$384,000 starting in 2008-2009.

**BUDGET REFERENCE**

Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. For Contract	2006-2007 Proposed Budget Page	Last Budget Action (Date, Ord. No.)
<b><u>Remaining Project Costs</u></b>				\$7,434,245			
<b><u>Current Funding Available</u></b>							
472	5734	Pearl Branch	135625	\$8,172,000	\$6,099,900	V-251	
<b>Total Current Funding Available</b>				<b>\$8,172,000</b>	<b>\$6,099,900</b>		
<b>Funding in future years of CIP</b>				160,000			
<b>Total Funding for Project</b>				<b>\$8,332,000</b>			

Note: An additional \$160,000 is budgeted in the Library Bond Fund in 2007-2008 and 2008-2009 for project costs.